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SOURCE Hua-ch'iao Jih-pao.MCC ENCOURAGES OVERSEAS CHINESE REMITTANCES

Kuang-chou, 7 December -- To encourage overseas Chinese to make remittances to the homeland, the Kuang-chou Military Control Commission has appointed the Bank of China to set up a special agency to facilitate handling of overseas Chinese remittances.

The regulations governing remittances are as follows:

1. These regulations are based on Article VII of the Provisional Regulations on Foreign Exchange for South China which states, "The time limitation on foreign remittance vouchers is 40 days. Within this period the holder may cash the voucher at any money exchange shop at a rate agreed upon. After expiration of the period the voucher must be cashed at the Bank of China at the bank's posted rate of exchange for the day. However, vouchers in foreign currency and other forms of foreign exchange vouchers for remittances entering the country are not subject to the time limitation, and remittances from overseas Chinese not only are not subject to time limitation, but may receive other preferential treatment."
2. All overseas Chinese remittances, whether telegraphic or otherwise, may be taken directly to the Bank of China (or to the People's Bank where there is no Bank of China) and exchanged into People's currency.
3. All overseas Chinese remittances will be cashed by the Bank of China (or the People's Bank where there is no Bank of China) at the preferential rate provided for such remittances.
4. To accommodate families of overseas Chinese, no fee will be charged for transfer of remittances to inland points where there is a government bank.
5. Remittances in foreign currencies may be placed on deposit at interest. Details of this procedure are provided for separately.
6. In case of urgent need for funds, overseas Chinese may, when they

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have secured a permit from the local People's Government and an acceptable shop guarantee, borrow funds against their foreign currency accounts at the day's preferential rate of exchange from the Bank of China (or the local People's Bank where there is no Bank of China branch). Foreign exchange may be used for repayment. The rate of interest on such loans shall be one tenth of one percent. Details of such procedure are separately provided for.

7. These regulations shall be in effect from the date of publication.

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